

## Alternative Governance Structures

### Districts That Do Not Voluntarily Merge

A unified union school district that is responsible for the education of at least 900 resident students may not be practicable to achieve Vermont's education goals in all regions of the State. As a result, Act 46 recognizes the need in some regions to create or continue sustainable "alternative structures," which are supervisory unions with multiple member districts.

Providing *guidance* regarding alternative structures, Act 46 states in Section 5 that:

- a supervisory union composed of multiple member districts, each with its separate school board, can meet the State's [education] goals, *particularly* if:
- (1) the member districts consider themselves to be collectively responsible for the education of all prekindergarten through grade 12 students residing in the supervisory union;
  - (2) the supervisory union operates in a manner that maximizes efficiencies through economies of scale and the flexible management, transfer, and sharing of nonfinancial resources among the member districts;
  - (3) the supervisory union has the smallest number of member school districts practicable, achieved wherever possible by the merger of districts with similar operating and tuitioning patterns; and
  - (4) the combined average daily membership of all member districts is not less than 1,100.

When evaluating an alternative structure, the State Board must consider whether the proposal is the best means of meeting the goals of quality and equity in the region and whether it ensures fiscal transparency and accountability. The State Board must also be mindful that a proposal doesn't geographically isolate a district that has no other obvious partners, especially if the district has low fiscal capacity or high poverty rates.

To facilitate the creation of alternative structures, districts may ask the State Board of Education to assign them to an existing supervisory union or to adjust current boundaries to create an entirely new supervisory union. This request can be made at any time pursuant to 16 V.S.A. § 261.

In regions where an alternative structure is necessary or where districts will not merge voluntarily before July 1, 2019, Act 46 requires the board of each district to:

- evaluate its current ability to meet or exceed the goals set forth in Act 46, Sec. 2;
- meet with the boards of one or more other districts to discuss ways to promote improvement in meeting the goals throughout the region; and
- submit a proposal, individually or jointly with other district boards, to the Secretary and the State Board of Education in which it:
  - proposes to keep the current governance structure(s), *or* to change the current governance structure(s), *or* to change the manner of operation in some other way (*e.g.*, contractually);
  - demonstrates, through reference to detailed data, that its proposal supports its ability to meet or exceed the Sec. 2 goals; and
  - identifies specific actions it will take to continue to improve its performance in connection with the Sec. 2 goals.

These tasks must be completed at any time prior to November 30, 2017.

Alternative governance structures are a necessary element in the overall Act 46 framework, because Act 46 does not:

- 1) require that all school districts merge into larger governance units;
- 2) establish any required minimum average daily membership (ADM) for all school districts;
- 3) restrict or repeal (or allow restriction or repeal of) the current authority of school districts to continue to pay tuition or to operate a school; or
- 4) change the amount or manner in which a district pays tuition.

Contact the School Governance Team at [aoe.act46@vermont.gov](mailto:aoe.act46@vermont.gov) or (802) 479-1744 for additional information.

Note: *This document is provided for guidance only and does not have the force of law. See the cited statutes and acts for more detail.*